of large inventories and action taken to bring down the inventories with results thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (CAPT. SATISH SHARMA): (a) to (d) The Oil Companies have laid down certain internal norms based on operating experience, actual average procurement lead time, consumption pattern and safeguards for uninterrupted operations etc.

The Oil Companies maintain inventories due to certain specific circumstances such as:—

(i) Multidisciplinary activities and the requirement of variety of equipment.

(ii) Rapid change in technology.

(iii) Long lead time for imported items.

(iv) Operational requirement.

The inventory levels are regularly reviewed and monitored at the unit, regional and Headquartrs levels and corrective measures taken wherever necessary.

Contract between ONCC and private sector for Oil Exploration

254. SHRI KRISHNA KUMAR BIRLA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government and the Oil and Natural Gas Commission have signed production sharing contract with a number of private sector firms;

(b) if so, the details of the agreement held with the private firms, firmwise;

(c) the locations where oil exploration works would be undertaken; and

(d) to what extent the target of oil exploration is likely to be achieved?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (CAPT. SATISH SHARMA): (a) Government have approved the finalisation of five production sharing contracts in the Fourth Round of bidding for exploration for oil and gas.

(b) and (c) The companies which have been approved for award of contracts are Albion International Resources, USA, Pan Energy Resources, USA, Vaalco Energy, USA, Coplex Resources, Australia, Pan, Pacific Petrolaeum, Australia, Niko Resources, Canada, Shell Netherlands, Hindustan Oil Exploration Company, India, Mafatlal Industries, India, Tata Petrodyne, India and Transasia Consultants, India. These companies would be carrying out exploration work in blocks located in the Rajasthan, Pranhita-Godavari and Gujarat-Kutch onshore basins and the Krishno-Godavari and Cauvery offshore basins.

(d) Production of oil or gas from these blocks would depend on the establisment of hydrocarbon reserves.

Committee on Gas Shrinkage

255. SHRI KRISHNA KUMAR BIRLA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have set up a Committee to define norms for gas shrinkage;

(b) if so, the composition of the Committee;

(c) whether the Oil and Natural Gas Commission and Gas Authority of India Limited which drill for crude production as well as process to varying degrees for different and users causing the volume of gas to strink;

(d) if so, the steps Government propose to take to check shrinkage by both oil companies; and